

AMENDED IN ASSEMBLY JUNE 27, 2012  
AMENDED IN ASSEMBLY MAY 30, 2012  
AMENDED IN ASSEMBLY MARCH 1, 2012  
AMENDED IN ASSEMBLY JUNE 20, 2011  
AMENDED IN SENATE MAY 5, 2011  
AMENDED IN SENATE APRIL 14, 2011

**SENATE BILL**

**No. 542**

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**Introduced by Senator Price**

February 17, 2011

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An act to amend Sections 2786, ~~5006~~, 5006.1, and 5007 of, *and to amend, repeal, and add Section 5006 of*, the Penal Code, relating to the Inmate Welfare Fund, and making an appropriation therefor.

LEGISLATIVE COUNSEL'S DIGEST

SB 542, as amended, Price. Inmate Welfare Fund.

Existing law establishes the Inmate Welfare Fund of the Department of Corrections and Rehabilitation in the State Treasury. Existing law requires that the money in the fund constitute a trust to be used for the benefit, education, and welfare of inmates of prisons and institutions under the jurisdiction of the department, as specified. Existing law requires the Department of Finance to conduct a biennial audit of the fund and, at the end of each intervening fiscal year, to prepare a statement of operations.

This bill, *until January 1, 2018*, would authorize the use of moneys in the Inmate Welfare Fund for reentry programs, as described, and would specify the intent of the Legislature that the moneys not be used

for programs that the department is required to provide. The bill, *until January 1, 2018*, would require the warden of each institution and specified other stakeholders to meet at least biannually to determine how the money is used in that institution.

Under existing law, funds from the Inmate Welfare Fund are prohibited from being used for specified expenses, including overtime for staff, television repair, and athletic or recreation supplies. Under existing law, moneys in the fund, as they relate to state prison camps, are continuously appropriated.

This bill would authorize the use of fund moneys for athletic and recreation supplies, and reentry programs, thereby making an appropriation.

Vote: majority. Appropriation: yes. Fiscal committee: yes.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

1 SECTION 1. Section 2786 of the Penal Code is amended to  
2 read:

3 2786. All money received pursuant to this article in the Inmate  
4 Welfare Fund of the Department of Corrections and Rehabilitation  
5 is hereby appropriated for educational, recreational, and reentry  
6 programs at the various prison camps established under this article  
7 and shall be expended by the secretary upon warrants drawn upon  
8 the State Treasury by the Controller after approval of the claims  
9 by the California Victim Compensation and Government Claims  
10 Board. It is the intent of the Legislature that moneys in this fund  
11 only be expended on services other than those that the department  
12 is required to provide to inmates.

13 SEC. 2. Section 5006 of the Penal Code is amended to read:

14 5006. (a) (1) All moneys now held for the benefit of inmates  
15 *currently housed in Department of Corrections and Rehabilitation*  
16 *facilities including* ~~that those~~ known as the Inmate Canteen Fund  
17 of the California Institution for Men; the Inmate Welfare Fund of  
18 the California Institution for Women; the Trust Contingent Fund  
19 of the *California* State Prison at Folsom; the S.P.L. Commissary,  
20 Canteen Account, Hobby Association, Camp Account, Library  
21 Fund, News Agency of the *California* State Prison at San Quentin,  
22 the Prisoners' Fund; and the Prisoners' Employment Fund, shall  
23 be deposited in the Inmate Welfare Fund of the Department of

Corrections and Rehabilitation, in the State Treasury, which is hereby created. The money in the fund shall be used solely for the benefit and welfare of inmates of prisons and institutions under the jurisdiction of the Department of Corrections and Rehabilitation, including the following:

(A) The establishment, maintenance, employment of personnel for, and purchase of items for sale to inmates at canteens maintained at the state institutions.

(B) The establishment, maintenance, employment of personnel, and necessary expenses in connection with the operation of the hobby shops at institutions under the jurisdiction of the department.

(C) Educational programs, hobby and recreational programs, reentry programs, and operational expenses *of the Inmate Welfare Fund*.

(i) ~~Recreation~~ *Recreational* programs may include physical education activities and hobby craft classes.

~~(ii) Reentry programs may include services such as assistance obtaining or reinstating benefits, obtaining identification cards, linkage to housing programs, providing education and job training opportunities, self-help programs, including, but not limited to, anger management and substance abuse programs, and coordinating contact with family members, social services, legal services, and health care services prior to an inmate's release from prison.~~

*(ii) Reentry program services may include assistance obtaining or reinstating benefits, obtaining identification cards, linking inmates to services related to obtaining housing upon release, providing education and job training, coordinating contact with family members, and providing information about how to connect to social services, legal services, and connecting inmates with outside community health care providers upon their release from prison.*

(2) The warden of each institution, in collaboration with at least two representatives from local or state advocacy groups for inmates and two members of either the men's or women's advisory council or similar group within each institution, shall meet at least biannually to determine how the money in the fund shall be used to benefit the inmates of the respective institution. It is the intent of the Legislature that the funds only be expended on services other than those that the department is required to provide to inmates.

(b) There shall be deposited in the Inmate Welfare Fund all net proceeds from the operation of canteens and hobby shops and any moneys that may be assigned to the state prison by prisoners for deposit in the fund. The moneys in the fund shall constitute a trust held by the Secretary of the Department of Corrections and Rehabilitation for the benefit and welfare, as herein defined, of all of the inmates of institutions and prisons under the jurisdiction of the department.

(c) The Department of Finance shall conduct a biennial audit of the Inmate Welfare Fund to include an audit report which shall summarize expenditures from the fund by major categories. At the end of each intervening fiscal year, a statement of operations shall be prepared that shall contain the same information as would be provided in the biennial audit. At least one copy of any statement of operations or audit report shall be placed in each library maintained by the Department of Corrections and Rehabilitation and shall be available there to any inmate.

*(d) This section shall remain in effect only until January 1, 2018, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2018, deletes or extends that date.*

*SEC. 3. Section 5006 is added to the Penal Code, to read:*

*5006. (a) All moneys now held for the benefit of prisoners including those known as the Inmate Canteen Fund of the California Institution for Men; the Inmate Welfare Fund of the California Institution for Women; the Trust Contingent Fund of the California State Prison at Folsom; the S.P.L. Commissary, Canteen Account, Hobby Association, Camp Account, Library Fund, News Agency of the California State Prison at San Quentin, the Prisoners' Fund; and the Prisoners' Employment Fund, shall be deposited in the Inmate Welfare Fund of the Department of Corrections and Rehabilitation, in the State Treasury, which is hereby created. The money in the fund shall be used for the benefit, education, and welfare of inmates of prisons and institutions under the jurisdiction of the Department of Corrections and Rehabilitation, including the following:*

*(1) The establishment, maintenance, employment of personnel for, and purchase of items for sale to inmates at canteens maintained at the state institutions.*

*(2) The establishment, maintenance, employment of personnel and necessary expenses in connection with the operation of the*

1 *hobby shops at institutions under the jurisdiction of the Department*  
2 *of Corrections and Rehabilitation.*

3 *(b) There shall be deposited in the Inmate Welfare Fund all net*  
4 *proceeds from the operation of canteens and hobby shops and any*  
5 *moneys which may be assigned to the state prison by prisoners for*  
6 *deposit in the fund. The moneys in the fund shall constitute a trust*  
7 *held by the Secretary of the Department of Corrections and*  
8 *Rehabilitation for the benefit and welfare as herein defined, of all*  
9 *of the inmates of institutions and prisons under the jurisdiction of*  
10 *the Department of Corrections and Rehabilitation.*

11 *(c) The Department of Finance shall conduct a biennial audit*  
12 *of the Inmate Welfare Fund to include an audit report that shall*  
13 *summarize expenditures from the fund by major categories. At the*  
14 *end of each intervening fiscal year, a statement of operations shall*  
15 *be prepared, which shall contain the same information as would*  
16 *be provided in the biennial audit. At least one copy of any statement*  
17 *of operations or audit report shall be placed in each library*  
18 *maintained by the Department of Corrections and Rehabilitation*  
19 *and shall be available there to any inmate.*

20 *(d) This section shall become operative on January 1, 2018.*

21 ~~SEC. 3.~~

22 *SEC. 4.* Section 5006.1 of the Penal Code is amended to read:

23 5006.1. (a) Notwithstanding any provision in Section 5006,  
24 money in the Inmate Welfare Fund shall not be expended to pay  
25 charges for any or all of the following purposes:

26 (1) Overtime for staff coverage of special events.

27 (2) Television repair.

28 (3) Original complement of television sets and replacement of  
29 television equipment.

30 (b) The department shall pay these charges out of any money  
31 appropriated for these purposes.

32 ~~SEC. 4.~~

33 *SEC. 5.* Section 5007 of the Penal Code is amended to read:

34 5007. The Secretary of the Department of Corrections and  
35 Rehabilitation may invest money in the Inmate Welfare Fund that  
36 in his or her opinion is not necessary for immediate use, with the  
37 approval of the Department of Finance, and interest earned and  
38 other increment derived from investments made pursuant to this

- 1 section shall be paid into the Inmate Welfare Fund of the
- 2 Department of Corrections and Rehabilitation.

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